

To be Hand Delivered

November 14, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: Comments of KeySpan Energy Delivery New England on the Department's Investigation regarding increasing the penetration rate for discounted electric, gas and telephone service.
D.T.E. 01-106

Dear Ms. Cottrell:

On October 31, 2002, the Department of Telecommunication and Energy (the "Department") issued an order in this proceeding requesting comments from interested parties. Boston Gas Company, Colonial Gas Company, and Essex Gas Company each d/b/a KeySpan Energy Delivery New England (collectively, "KeySpan"), are pleased to submit the following comments on each of the two questions raised for the Department's consideration.

Question One:

The working group recommended the use of a check box, similar to that used by fuel assistance agencies, for new applicants to the Department of Transitional Assistance ("DTA") and the Division of Medical Assistance ("DMA"), granting the agencies authorization to release eligibility information to utilities. As an alternative to the use of a check box, please comment on whether it would be more effective to require applicants to authorize the release of eligibility information as a condition to applying for public benefit programs. What additional procedures, if any, the Department in this investigation should address?

As referenced in the Department's question, the privacy group recommended the use of a check box, similar to that used by fuel assistance agencies, for new applicants to the DTA and the DMA, authorizing the agencies to release eligibility information to utilities. As KeySpan discussed in its initial comments to the Department, KeySpan enrolls most of its customers into the discount program through its matching program with the Low-Income Home Energy Assistance Program ("LIHEAP"). This is because when the customer applies for fuel assistance, they authorize fuel assistance to release their eligibility information directly to the utilities. As a result, fuel assistance shares with KeySpan their client list and KeySpan automatically enrolls these individuals on the discount rate.

The enrollment process that KeySpan has with DTA is much more cumbersome because of the DTA's privacy rules. The DTA will not share its client list directly with KeySpan so KeySpan has retained a third party mailing house. The DTA sends a list of its new recipient to the mailing house which, in turn sends a letter and an enrollment form to these recipients informing them that they are entitled to the discount rate with KeySpan. The customer needs to return the enrollment form to KeySpan in order to be placed on the discount rate. This process relies upon the customer to affirmatively sign up for the discount rate as opposed to the automatic enrollment process under the fuel assistance program. This clearly results in fewer enrollments on the discount rate.

KeySpan supports the recommendation made by the privacy-working group to use a check off box similar to that used by fuel assistance agencies for new applicants to the DTA and DMA, authorizing the agencies to release eligibility information to utilities. KeySpan believes that instituting this change will result in an increase in the number of customers on the discount rate. By having applicants authorize the release of information to utilities, DTA could communicate directly with utilities and thereby eliminate the third party mailing houses that are currently in use. The utility companies could then automatically enroll these new recipients of welfare on the discount rate. In order to implement this option, the utilities would need to work with DTA and DMA to set up a computer-matching program similar to the program used with fuel assistance. KeySpan believes that instituting this change will result in an increase in the number of customers on the discount rate with minimal cost to utilities.

As to whether it would be more effective to require applicants to authorize the release of eligibility information as a condition of applying for public benefits, that raises public policy issues beyond maximizing program enrollment such as potential disqualification for public benefits. Neither the Department nor utility companies could make this change in public policy. It would be up to the governmental agencies that administer such programs to make such a change in policy and may even require new legislation. Rather than seeking this policy change, KeySpan believes it would be much easier and more expeditious for the Department to work with the DTA and DMA to add the check-box to their respective applications without making it a prerequisite to seeking public benefits.

To the extent that the Department is successful in implementing the check-box option with the DTA and DMA, KeySpan believes the only additional procedure to consider is the setting up of computer matching programs between utilities and DTA and DMA.

Question Two:

Evaluate the cost and benefits of moving to a model where a central entity gathers relevant information from Community Action Programs/grantees and government agencies (DTA, DMA, etc.) on eligible customers for the discount rate and shares this information with utilities. In addition, the Department is considering the possibility of utilizing MassCARES, a technology based initiative of the Massachusetts Executive Office of Health and Human Services. Please discuss whether MassCAAtRES would be a feasible Central Information Storehouse for an automated matching program for the discount rate.

KeySpan would be interested in pursuing the possibility of using MassCARES as a Central Information Storehouse. Initially, the Department will need to find out if the Executive Office of Health and Human Services (“EOHHS”) would be willing to allow utilities to access the information on their web site. If this option is feasible, the utilities would need to work with the Department and EOHHS to set up a computer-matching program that could be used with MassCARES. This would obviate the need to set up separate matching program with DTA and DMA as both agencies are within EOHHS. KeySpan further believes that using MassCARES would be preferable to setting up an independent central entity to gather eligibility information. By using MassCARES, the Department would avoid the initial set-up cost that would be required by a new agency as well as ongoing operations and maintenance costs of such an agency.

In conclusion, KeySpan appreciates the opportunity to submit these comments regarding the penetration rate for discounted electric, gas and telephone service. KeySpan supports the Departments’ efforts to work with the DTA and DMA to change their applications. If successful, this will likely result in an increase in the number of customers on the discount rates. KeySpan also supports exploring the possible use of MassCARES as a Central Information Storehouse for an automated matching program for the discount rate.

Very truly yours,

Christopher S. Aronson, Counsel
Richard A. Visconti, General Counsel

CSA/

cc: Service List
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